

MULTISTATE TAX COMMISSION VOLUNTARY DISCLOSURE PROGRAM LAUDED IN GOVERNMENT INNOVATION AWARD PROCESS

WASHINGTON, D.C.///April 14, 2005///The Voluntary Disclosure Program, which enables businesses to clean up past state tax liabilities without undergoing the risks of bankruptcy or employee layoffs, is among the 50 semifinalists for the prestigious 2005 Innovations in American Government Awards, which are often referred to as the “Oscars” of government prizes.

“These 50 programs – which touch the lives of so many people across the street and around the world – offer a very compelling snapshot of what is right, good and uniquely innovative in American government at every level today,” said Stephen Goldsmith, director, Innovations in American Government Awards.

The MTC’s Voluntary Disclosure Program enables businesses to resolve complex state tax liabilities on a non-adversarial basis that improves compliance without job loss and bankruptcy that often follow retrospective tax audits.

MTC Nexus Program Director Sheldon Laskin said: “The MTC is grateful to the Innovations in American Government Awards National Selection Committee for its recognition of the important role the Voluntary Disclosure Program plays in increasing voluntary tax compliance by multistate taxpayers. The Voluntary Disclosure Program has been recognized by the member states and multistate businesses as a reliable and efficient vehicle to resolve outstanding tax liabilities on a confidential and mutually acceptable basis, thereby reducing compliance costs both to the states and to taxpayers. In addition, the voluntary resolution of substantial outstanding tax liabilities avoids the adversarial nature of the audit process, which can lead to substantial assessments of tax, interest and penalty that often result in bankruptcy, unemployment and devastating effects on local communities.”

The Innovations in American Government Awards program, now in its 18th year, is sponsored by the Ash Institute for Democratic Governance and Innovation at Harvard University’s Kennedy School of Government, administered in partnership with the Council for Excellence in Government. The 50 semifinalists were chosen from more than 1,000 applicants for their novelty and uniqueness, effectiveness in addressing important problems, significance, and the potential for replication by other government entities.

During the week of April 18, finalists will be chosen from the semifinalist group.

The Innovations in American Government National Selection Committee, chaired by David R. Gergen of the Center for Public Leadership at Harvard and including former Maryland Lt. Governor Kathleen Kennedy Townsend, former San Diego Mayor Susan Golding, and former U.S. Rep. William Clinger will choose six winning programs, which will be announced on July 27, 2005.

The Multistate Tax Commission is an organization of state governments that works with taxpayers to administer, equitably and efficiently, tax laws that apply to multistate and multinational enterprises.

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